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PROGRAM Frank Terpil: Confessions
of a Dangerous Man

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DANIEL SCHORR: Tonight, the story of an American fugitive, Frank Terpil, who 16 months ago fled from a 53 year sentence for supplying arms to terrorists. He tells his story from exile in Beirut.

Good evening. I'm Daniel Schorr.

Terrorism looms in our era as a greater threat than war. It causes world leaders, including President Reagan, to live in suffocating cocoons of security. Terrorism operates from safe havens, like Libya. Colonel Qaddafi's oil wealth buys the instruments of terror and the know-how to use them. Some of that comes from this country, American know-how at the service of America's enemies.

Veterans of America's clandestine wars have turned to selling their skills and contacts in the marketplace of violence. Profiting from terror without suffering qualms takes a certain mentality. In the next 90 minutes, you will get to know one of the merchants of terror more intimately than has ever been possible before.

NARRATOR: On the morning of Monday, December the 22nd, 1979, undercover detective Nicky Grillo reached the 27th floor of this New York hotel. On that morning, he was wearing a waiter's uniform borrowed from Forlini's restaurant. He entered this room. Inside was a squad under Detective Sergeant Merv Woike (?).

MERV WOIKE: I was here that day with Sergeant Rosenzweig and six detectives. We brought all the equipment we thought we would need for that day, which included four shotguns. We also

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had -- of those detectives, two of them were technical electronics surveillance detectives. They had been recording all the conversations that had taken place for the past three days in the adjoining room.

MAN: You put the liquid into the cooling system. You put it, then, right into the top of the radiator. The car went about 40 foot in the air.

NARRATOR: In the next-door suite were four men. Two of them were undercover detectives for the New York City police, Jose Raad and Jimmy Rodriguez.

JIMMY RODRIGUEZ: On the day of the arrest, we were all sitting in this room here. I was sitting right in this chair here and Detective Jose Raad was sitting on the corner right there. And the two suspects were sitting at the end of the sofa. It was necessary that I receive a contract from them and that I give them \$56,000, which I had in that drawer of that desk right there. And besides that, one of the suspects had a weapon that they were going to lend me so that I may assassinate someone that same evening.

The key word was French cruller. And after I had given them the money and they gave me the contract and I received the gun, I came over to the telephone and I dialed 5, which is a blank line. I then ordered coffee, donuts, and a French cruller.

At this point, from both doors, the door to my left and the front door, detectives came in with weapons and shotguns and arrested the two suspects.

[Clip of arrest action]

NARRATOR: Unbeknown to the management and any of the hotel guests, the two suspects were led in handcuffs across the foyer. Two unmarked police cars were parked on 54th Street. The suspects were separated and driven under armed guard to Lower Manhattan and the New York Criminal Courts at 100 Center Street. They were fingerprinted and photographed in the squad room on the ninth floor.

In New York police records, they are described as Terpil, Frank Edward. Nickname, none. Date of birth, November the 2nd, 1939. Place of birth, Brooklyn, New York. Height, 5'11". Weight, 215 pounds. Hair, brown. Race, white. And Korkala, George Gregory. Nickname, Gary. Date of birth, February the 9th, 1941. Place of birth, Detroit, Michigan. Height, 5'11". Weight, 175 pounds. Hair, blond. Race, white.

Shortly before midnight on December the 22nd, Frank Terpil and Gary Korkala were taken from their cells on the ground

floor and arraigned in court. Bail was opposed by Assistant District Attorney Matthew Crosson.

MATTHEW CROSSON: I opposed bail because we found during our investigation that Frank Terpil and George Gregory Korkala were major suppliers of weapons and assassination devices to terrorists and terrorist groups all around the world. During the course of our investigation, we obtained the irrefutable evidence that they had supplied and attempted to supply to our undercover detectives who were posing as Latin American terrorists a variety of weapons, including 10,000 British machine guns, a silenced sniper rifle, a silenced semi-automatic pistol, poisons, liquid explosives, explosive briefcases, and other devices of a similar nature.

NARRATOR: After three bail hearings, a judge finally rejected Matthew Crosson's arguments. And on the 4th of January, 1980, Frank Terpil and George Gregory Korkala were released on bail after each had posted a \$100,000 bond.

Four months later, Frank Terpil was arrested a second time and committed to the federal penitentiary in Washington, D.C. Terpil and a man called Edwin P. Wilson were indicted by the federal authorities in Washington on charges including acting as an agent for a foreign power -- to wit, Libya -- transportation of explosives in foreign commerce, and conspiracy to commit murder. In Washington, a judge once more rejected the prosecutor's appeal and granted bail to Frank Terpil.

With serious charges against him in Washington and New York, Terpil was free again.

On September the 3rd, 1980, Frank Terpil and George Gregory Korkala, his co-defendant in New York, slipped out of the country for undisclosed destinations in the Middle East.

The New York trial proceeded without them. The prosecution case was based on evidence obtained in a massive undercover operation. Rodriguez and Raad had originally followed a tipoff from a man who was involved with the suspects in an illegal arms deal. The two Spanish-speaking detectives were simply substituted for South American buyers that Terpil and Korkala were expecting.

RODRIGUEZ: On the 15th of November in 1979, when the case started, Jose was to portray the big boss. We used the name Patron to identify him. I was the person who would actually do the talking for Jose, since he would be playing the character of a person who didn't speak any English at all. And I would not only translate, but since I have some knowledge of weapons in my own background and my police experience, I would also be the weapons expert.

After we met, we met Gary Korkala for the first time, he started to explain to us what weapons were available. He inquired whether we were an army or a terrorist group. I made it quite clear that we were a terrorist group. And then we started discussing weapons that would be utilized in a terrorist type organization.

CROSSON: The first thing that Korakala sold to the undercover detectives was this silenced .22 caliber assassination pistol. The entire cylinder part of the barrel is a silencer. They were offering this particular weapon to our undercovers as an example of the type and quality of silencers that they could provide in quantities of up to 10,000 lots.

The second weapon that Korkala and Terpil sold to the undercover detectives was this, a .22 caliber silenced sniper rifle which they specially manufacture. The entire barrel of this weapon is a silencer, from just below the sight, where I'm pointing, to the end. This is fitted with an aim point electronic sight. This allows the person who is firing the weapon to keep both eyes open, watching the target at which he's shooting.

This weapon and the Luger that I just showed you were each sold for \$1500.

Also, at the second meeting, Mr. Korkala sold to the undercover detectives for \$800 this bottle of strychnine poison, he said has the capacity to kill 25 people. It is so powerful that individuals poisoned by strychnine have been known to die in a convulsion so strong that only the top of their head and their heel is touching the ground at the time of death. The body is arched completely off the ground.

NARRATOR: Terpil and Korkala apparently offered their clients a veritable arsenal of terrorist weapons. This is Korkala's demonstration model exploding briefcase. Terpil's forte was special-purpose weaponry, including a pen that fires a poison dart through a teflon barrel, which Terpil particularly recommended for assassinations in airplanes.

CROSSON: And he described the manner in which you would do it. That being that you would walk down the aisle of the plane next to the person you intended to assassinate; and as you came next to him, fire the poison dart right behind his ear, striking either the carotid artery or the jugular vein. And then go back to your seat and sit down.

NARRATOR: The second special-purpose weapon combines a cigarette lighter and a pen which fires a .22 caliber bullet. The pen acts as a barrel. The bullet and cocking mechanism are in the lighter.

But perhaps the most lethal product in Terpil's arsenal was binary liquid explosive.

CROSSON: These are the bottles given by Terpil to the undercover detective. Each of the parts is relatively stable when separate; but when mixed together, forms a liquid that is explosive three to four times as powerful as ordinary dynamite.

He described one particular occasion in which he drained the radiator of an automobile and filled it with binary explosive.

RODRIGUEZ: His eyes would light up as he described how you fill up the whole radiator, and then you just need a detonator, and watch the car go up in the air, and little bits were the only thing left over.

CROSSON: He also described blowing up the lobby of a hotel in the Middle East by pouring binary liquid explosive in the earth in a potted plant in the lobby.

RODRIGUEZ: He says, "Oh, it's great, Jimmy. It's great." He says, "You take a flower pot -- we did this in the Middle East -- and you put the one part liquid. Then you wait a week and you put the second part. And then the third time you come over and you put the deton. The whole hotel went up in the air."

And when he described these things, he was very excited about it. And he kept apologizing that he didn't have a camera to film it. He says, "I didn't have -- I couldn't film it. But it was great to see it. I stood on the corner and watched it."

At that point, I realized I was dealing with a maniac.

NARRATOR: Rodriguez was also dealing with a man who had powerful contacts. The prosecution case rested heavily on 25 hours of bugged conversation. Although Terpil was absent from court, the jury heard him describe on tape his links with an astonishing assortment of individuals and organizations, including the CIA; Scotland Yard; the Turkish Gray Wolves, who trained Mehmet Agca, the man who shot the Pope; Colonel Qaddafi, the Libyan head of state; Elias Ramirez Sanchez, known as Carlos the Jackal; Idi Amin, the former President of Uganda; and Amin's competitor in terror, the self-styled Emperor Bokassa.

Clearly, Terpil wanted to impress his clients with his credentials.

CROSSON: He was a man who was willing and able to do just about anything. And he was a man who was trusted by people whom he assumed terrorists would respect: Idi Amin, Muammar Qaddafi, Carlos the Jackal.

He has been described to me by people who knew him and saw his actions in Uganda as the man who would occasionally put steel into the spine of Idi Amin when Idi Amin himself was waffling about doing something.

RODRIGUEZ: I've dealt with numerous gunrunners and gun merchants. I can honestly say that he's about the biggest one I've dealt with. His connections, his past escapades, his experiences, and, in general, his whole background is incredible. I don't think I'll ever meet someone like Frank Terpil again. I think I've reached my peak with Frank Terpil.

NARRATOR: The jury was impressed by the prosecution's case. And on May the 15th, 1981, Terpil and Korkala were found guilty in absentia on all 11 charges in the New York indictment. Acting Justice Thomas B. Gallagen (?) recommended that neither of the two men should be released from prison one minute earlier than 53 years, the maximum that the law allows. In court he said, quote, "These men trade in death and destruction. That is their business. They have no allegiance to any flag. They prosper in a world at war. Wherever terrorism and torture are, they are."

Two weeks after his conviction, Frank Terpil sent us a coded telex from the Middle East. He wanted to present, quote, the defense side of his case via TV and city media, end quote. We were invited to a penthouse apartment in the Hamra (?) district of Beirut to meet Frank Terpil and his permanent companion, Ruth Boyd.

The man who has been described as a mastermind of international terrorism and the key contributor to Amin's death machine told us about his work for the Ugandan dictator.

FRANK TERPIL: Idi needed some technical assistance in -- basically for their intelligence network. They needed technical capabilities that they didn't have before. And that's not using technical sledgehammers. I'm talking about electronic equipment, things like that, which would be basically the same thing that we did in Iran for telephone taps and things like that.

NARRATOR: Surveillance equipment.

TERPIL: Basically surveillance equipment. Yeah. Sophisticated surveillance equipment.

NARRATOR: Matthew Crosson, the New York prosecutor, has alleged that you supplied interrogation equipment and torture equipment to Uganda.

TERPIL: Well, what is torture equipment? I could take a pair of pliers and make it very unpleasant for anybody. The

Chinese used water, slow water drip treatment. So, therefore, I do not feel that all water exports should be controlled by license.

NARRATOR: Matthew Crosson describes implements to apply electric shock to various parts of the body.

TERPIL: It's true that there was a shipment seized in Florida that contained tazers (?), which is a defensive piece of equipment. It possibly could be used to induce some people to talk otherwise -- that might not otherwise. But also seized in that shipment happened to be six of Idi Amin's basketballs. Now, I cannot really foresee how you would use this as a torture device.

NARRATOR: Did you supply poisons to Amin?

TERPIL: Poisons. I'm going to skate on that one a little bit. There may have been some in the shipment. I can't recall specifically.

NARRATOR: On two of the bugged tapes, there's a description of how poison was tried out on a minister and how he went out very quickly and his head fell in the soup. Did that happen?

TERPIL: Yes, that happened.

NARRATOR: Were you there?

TERPIL: No.

NARRATOR: And you didn't administer the poison.

TERPIL: Ah, no.

NARRATOR: But it could have come out of your supplies.

TERPIL: It could have come. Yes.

NARRATOR: You seem to make a complete separation between what you supply and what it might be used for. Do you ever stop to think of the consequences of this stuff on human beings?

TERPIL: If I really thought about the consequences all the time, I certainly wouldn't have been in the business, if that's what...

NARRATOR: So you have to blank it off.

TERPIL: Yes, you have to blank it off. I'm sure that the people from Dow Chemical in Delaware, I'm sure that they

didn't think of the consequences of selling napalm. If they did, they wouldn't be working at the factory. I doubt very much if they'd feel any more responsible for the ultimate use than I did for my equipment.

NARRATOR: Except that the employees were not in the Vietnamese villages.

TERPIL: That's true.

NARRATOR: And you were in Uganda.

TERPIL: I had been in Uganda. Yes.

NARRATOR: To be precise, Terpil was here, at the State Research Bureau in a luxury suburb of Kampala, the Ugandan capital. During Amin's bloody eight-year reign, thousands of Ugandans were herded into this building and slaughtered.

The dictator's official residence stands next door, symbolizing his direct personal involvement in the killing.

In May 1979, the atrocities committed at State Research were revealed to the world. The bloodstained walls and floors, the pervasive stench of death testified to the crimes that had been committed in this charnel house.

These basement cells were used to imprison those who were brought here, often in car trunks, by snatch squads working day and night. Among these grisly relics was an arsenal of weapons sufficient to stock a small army, and secret documents that revealed how State Research had been supplied by American and British companies, like Security Systems International of Cambridge, England and a Swiss company of the same name. Pi (?) Telecommunications had also supplied Amin's secret police through Wilkin (?), their East African distributors, and on one occasion direct to the president's office from their British headquarters.

But it was this document that introduced a new name into Ugandan history. It is a three-page contract itemizing equipment originally valued at over \$6.3 million, and then revised down to a new agreed price. The contract bears the signatures of Field Marshal Amin and F.E. Terpil, Director of Intercontinental Technology.

You had an office in State Research.

TERPIL: Yes.

NARRATOR: And you knew what was going on in State Research.

TERPIL: I was in the administrative. The State Research consisted of three floors. The third floor -- the first, second and third floor, there were no prisoners kept there. In the basement the prisoners were kept. And I never went down to the basement.

NARRATOR: So you never saw the basement.

TERPIL: No.

NARRATOR: One of the things that's been said against you in the New York case and by Matthew Crosson is that you participated in torture.

TERPIL: I've never participated in any torture. In fact, I've never even questioned prisoners. That's purely an internal matter.

NARRATOR: You're a supplier.

TERPIL: Just a supplier. Right.

NARRATOR: But you knew that torture was going on.

TERPIL: It was hard to miss. I mean you had to walk out of State Research and walk right by the courtyard.

NARRATOR: It would indeed have been hard to miss the courtyard at State Research.

The Reverend George Lukwia (?) describes what he saw.

REVEREND GEORGE LUKWIA: Most of the time was just cutting off. And then sometimes they would -- they would just -- they would just beat a person to death using the butt of the gun. This was very common around here. And again, they would bring some dead bodies already, and then they would throw them on the yard -- in the yard.

NARRATOR: You said that on the third floor you never saw what went on, that it all happened in the basement. But even if that's true, you must have heard what was going on there.

TERPIL: At times, you could hear sounds emitting from the basement.

NARRATOR: Screams.

TERPIL: Screams, yeah.

NARRATOR: Terpil's office was here. According to him, an administrative area three floors above the basement,

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where prisoners were kept. But the Reverend George Lukwia was also on the third floor. In fact, he spent three months in this room.

REVEREND LUKWIA: This was where we -- we never had food very much. See, they would not even bring us food at all. So we suffer, stay here just like that. And then water also was another problem. They never brought us water here. And then another thing we experienced here -- we were too many for the room. And as a result, some people lost their lives because of suffocation.

You can see blood up there. There was a time when we [unintelligible] 30, 34. And it was right on top here. The whole of this area was full of all dead bodies only. From here up to out there, see, was really blood always.

TERPIL: They were very, very sensitive, and also I was very sensitive, is that was completely an internal affair -- internal affair, of which did not concern me.

NARRATOR: The bugged tapes suggest otherwise. New York, December the 20th, 1979.

TERPIL: [Unintelligible]. They stick the [unintelligible] on your stomach [unintelligible]. Then they put a copper pot on top of your stomach. They strap it on your stomach. They start a little fire on top of the pot. The top of the pot, on copper, starts getting hot from the top down. The rat goes crazy. There's only one way out.

MAN: Through the stomach. Oh, my God.

[Confusion of voices]

TERPIL: You can see it. You can see it.

MAN: You were seeing it.

TERPIL: You can see one that's in your stomach. It keeps on going through. It keeps on going through. It doesn't stop.

MAN: He eats right through the stomach.

TERPIL: He eats right through.

[Confusion of voices]

MAN: ...interesting way.

TERPIL: Very effective. I've seen it. I've seen that done about three times. It's totally effective.

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NARRATOR: Did you ever witness anything like that?

TERPIL: No. It has been used, but by various tribes. It's not an invention of Idi Amin or State Research. It's been there for 50 -- I don't know what the amount of time. But it's a common method used by some of the tribes in the North.

NARRATOR: So what you're saying is that you never saw it and it never happened at State Research.

TERPIL: I'm not saying it was not done. If it was done, I was not knowledgeable of it being done at State Research.

NARRATOR: The Englisman, Bob Assels (?), is usually thought of as Idi Amin's right-hand man. But in a recent interview from prison, he described you as the real power behind Amin and said that everybody in Uganda feared you.

TERPIL: No. I didn't consider myself the power behind him. He was there long before I arrived.

NARRATOR: But he needed you.

TERPIL: In certain -- yeah. In certain areas, he did.

NARRATOR: As he talked about his Ugandan years, Terpil casually touched on events that had made world headlines: the raid on Entebbe, the murder of Dora Bloch, the mass executions of Ugandans, the mysterious plane crash which killed Bruce Mackenzie (?), Kenya's Minister of Agriculture.

We heard that Amin gave a present to Mackenzie just before he took off in the airplane.

TERPIL: It was probably a cob head, which was a traditional present for -- it's a mounted head. It looks similar to a deer. A traditional present that he did give away.

NARRATOR: It's been established, I think, that there was a bomb inside that cob head.

TERPIL: Then that would be a dangerous present to have. Beware of Amins giving gifts.

NARRATOR: We also know that you supplied a special kind of detonator that was set off at high altitude. Was that your equipment inside the cob head?

TERPIL: There's a remote possibility.

NARRATOR: Could they have got that equipment from anywhere else but your supplies?

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TERPIL: They could have gotten it through U.K. You know, I did not have an exclusive on this type of equipment.

NARRATOR: But it was the kind of equipment that you supplied.

TERPIL: In some cases, yes.

NARRATOR: As he talked, Terpil gradually revealed his closeness to the Ugandan dictator, who had rewarded him with the nickname Waragi (?), White Lightning. When the regime collapsed, it was Frank Terpil who sat at Amin's side on the last plane out of Uganda, while Assels was made to make his own way out of the country on foot.

You and Amin arrived in Libya as two refugees.

TERPIL: Political refugees. Yes.

NARRATOR: How were you treated there?

TERPIL: At that time, there was a lot of confusion. There was no open hostility at that time.

NARRATOR: We heard about Amin's short exile in Libya and the breakdown of his relationship with Qaddafi when he described Libyan soldiers as women.

TERPIL: Amin, although he was treated well, finally realized that he was under house arrest.

NARRATOR: How the Saudi Arabians then gave Amin sanctuary and, according to Terpil, support to stage his comeback. A threat that still hangs over Uganda.

TERPIL: Yes. There's no doubt in my mind he's planning to make a comeback. Yes. There's approximately 40,000 troops that were loyal to his cause in a neighboring country, and I think have been fairly well trained by now.

NARRATOR: Would you be prepared to help him?

TERPIL: I would assist him in the same way I assisted him before. Sure.

NARRATOR: The two exiles have kept in close touch. In the summer of 1980, they tried to negotiate with Khomeini for the release of the American hostages. Terpil gave us tapes of his telephone calls to Jedda when invasion plans, code word Football Match, give the two friends to indulge their humor.

TERPIL: Excellency, this is Waragi.

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IDI AMIN: Ahh, very good. I telephoned you one day, but I couldn't get you.

TERPIL: Yeah.

AMIN: I decided just to be now a religious man.

TERPIL: But they want you back now.

AMIN: We are preparing for everything possible very soon.

TERPIL: Very good.

AMIN: We might invite you for the football match.

[Laughter]

TERPIL: I will be there, because we have to start the basketball team again.

AMIN: We want a basketball between California and Washington.

TERPIL: [Laughter] Very good. You see, now we can invite Nixon this time, because he still doesn't have a job.

[Laughter]

NARRATOR: As he talked, Terpil became more and more nostalgic for the old days with Idi. It was as though State Research had never existed and Uganda was just comic opera. We heard about Amin's secret passion for Princess Margaret, about evenings Terpil had spent in Amin's massage parlor listening to the dictator's records of Scottish pipe bands, and of long lazy afternoons on Lake Victoria when Amin dreamed of turning Uganda into a nuclear power.

TERPIL: And with that, we had been out on the boat, with myself, Bob Assels, and Amin. And there were discussions as to if uranium were discovered, or if in fact it was in commercial quantities, would it enhance the economy of the nation? Or if it would, what other possible uses could it be used for? And then Amin inquired as to how much it would require to make a bomb.

NARRATOR: In that first afternoon, it seemed to us that we'd not been invited to deal with innocence or guilt, but to join Terpil in a world with no moral coordinates, to share hilarious stories of men like Amin.

TERPIL: And he had a difficult time saying uranium.

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And he said -- he looked around the boat and he said, "Waragi," he said, "how much would this make to make a big bomb?" [Laughter] He's always smile and he seemed -- I would use the word psychotic. He definitely has a problem. He's not all there. He's conscious of what he's doing, but to him, you know, he's like the old horses where they put the blinders on. He doesn't take -- I'd say he doesn't care.

NARRATOR: In 1979 you were sitting next to Idi Amin on the last flight out of Uganda. Take us back to the very beginning. I mean what brought you there? Where were you born? Where do you come from?

TERPIL: I was born in November 1939 in Brooklyn, New York on East Eighth Street, 223 East Eighth Street. On my particular street, we had Irish, Italian, Polish, and one French family that somehow found their way there. It was very ethnic.

NARRATOR: On the western edge of Long Island, just over the water from Manhattan, are some 80 square miles of brick and brownstone tenements, shops, pubs and clapboard houses known as Brooklyn. We came here in search of clues, hoping to learn what forces had shaped Frank Terpil, had created, in Matthew Crosson's words, a unique and dangerous man. Instead, we met Viola, Viola Terpil.

VIOLA TERPIL: Nobody can tell me that Frank could possibly be guilty of all these things that they had in the paper. He's not -- if he is, if he is, I will be the most shocked person of all, because that's not him.

NARRATOR: Why do you think Frank has chosen the life he lives? Is it for money?

MRS. TERPIL: I think it's the excitement. I think it's -- it's certainly not money. Definitely not money. Because, like I say, Frank would give anybody anything if he had it, you know.

NARRATOR: Do you think Frank enjoys being different from the people of Brooklyn, the kind of people he was...

MRS. TERPIL: Oh, yes. I'm sure he does. I'm sure he does. I don't know what -- you know, I never did talk to him and ask him what his impression of Brooklyn was.

TERPIL: The people of Brooklyn normally -- and this is only the people that I know. They've got very, very -- a very narrow scope of life. Quite honestly, they are kind of like the Archie Bunkers depicted on TV.

If I would have stayed there, I would have never known

any difference. I mean I would be in the same syndrome they would be, probably working in light industry, or one of the keys of success there may be to work for the telephone company or a very established company like that.

NARRATOR: What sort of work did your father do?

TERPIL: He was basically in the military all the time. He got -- he had gotten called up in World War II. And from World War II, then, of course, Korea broke out very soon after that. So -- I don't remember too much of him, except that he -- the part that I do remember, he was in uniform most of the time.

MRS. TERPIL: Frank's father worked for Western Electric. He was a sprayer, worked in a spray booth spraying phones. You know, the jackets of them.

TERPIL: His father died when Frank was 12 years old.

MRS. TERPIL: And I said to him, "Frank, now that Daddy is gone, how do you feel?"

And he just looked at me. He said to me, "I would rather you not ask me, 'cause I don't want to discuss it."

So, we never, ever discussed it again. Never. To this day, we never discussed his father.

NARRATOR: Is Frank afraid of emotions?

MRS. TERPIL: I think Frank has blanked out a lot throughout his life that he didn't -- and I think that's why he's the personality that he is. But it's an art, believe me, to blank things out. It's not that easy to blank things out.

NARRATOR: And Frank has developed that art.

MRS. TERPIL: Oh, I'm glad. I'm glad. I think it's wonderful. I think it's wonderful, because it makes -- it makes your life so much easier. It makes your life so much easier.

NARRATOR: At the age of 12, Frank was the only male in an all-female household. Adele was five at the time.

ADELE TERPIL: I'm proud of him as a brother. It was an injustice, I think, that was done to him. He was singled out, kind of. And he had to do what he had to do.

NARRATOR: Lorraine is the baby of the family.

LORRAINE TERPIL: I look at my brother as a totally different person than what I read about. And I don't know. When

I'm with him or -- it just -- to me, that seems so out of range, this Idi Amin or the gun dealings, whatever went on. I don't look at it as -- I don't -- it doesn't really even enter my mind.

NARRATOR: Are you concerned when you read about Frank's association with Idi Amin and people like that?

A. TERPIL: Concerned in...

NARRATOR: And worried that he should mix with such people?

A. TERPIL: For his safety or because...

NARRATOR: Morally, are you worried?

A. TERPIL: I don't know how much of it is true and how much of it isn't. So I don't think of it in those terms. I believe in Frank. And in believing in him -- and I always will believe in him and always stick by him. If he feels what he's doing is right, then it's right.

NARRATOR: Is there any side of Frank's character that you're ashamed of?

L. TERPIL: No. Not at all.

NARRATOR: Paradoxically, it was in the company of these warm and generous people that we began to grasp the influences that had shaped Frank Terpil.

Did Frank give you any problems as a child? As a teenager?

MRS. TERPIL: Well, yes. Once. But it was something that -- like I think I told you about the machine gun.

TERPIL: She may be referring to an illicit machine gun sale.

NARRATOR: When you were how old?

TERPIL: Fifteen. Yes. I had bought -- I had bought a machine gun. It had been confiscated from somebody. I bought it from a policeman, as a matter of fact. And saw a margin of profit that could be made by selling it to somebody else, which happened to be the son of my high school science teacher.

MRS. TERPIL: The first thing I know, Frank was arrested. And they called me at work. And they had Frank down at the station house, and they wouldn't let he see him. But like he was in a room, and I passed the door and I just said to

him, "Whatever your story is, stick to it."

NARRATOR: Were you angry with Frank for owning a machine gun?

MRS. TERPIL: No. I felt sorry for him because -- I felt sorry for him because it wasn't a case of he was doing anything malicious. He wasn't going out robbing people. He wasn't going out and sticking them up. It was just -- he was creative, I guess. I don't know. I guess this was a big thing to put this thing together. Yeah. I mean because this is Frank. He was always -- great imagination.

NARRATOR: You weren't worried that Frank had a machine gun.

MRS. TERPIL: No. No, not at all. Not at all.

TERPIL: The morality of New York is my morality. It's how I was brought up. And it depends on what -- how you view morality. During my, I guess you may call them, formative years, we were taught to obey, I guess you may say, the precepts of the law in a different framework. I certainly learned at a very early age that a dollar placed in the right hand could do wonders.

NARRATOR: Is that a fair comment?

MRS. TERPIL: Is it fair?

NARRATOR: Is it fair to suggest that in Brooklyn, New York corruption is almost a way of life?

MRS. TERPIL: Anthony, where have you been? Do you mean that you haven't heard of corruption in New York City? I think all the big cities are so corrupt. I would say even the small towns are so corrupt. New York City, especially, is corrupt, corrupt, corrupt.

NARRATOR: Farrell's bar, Brooklyn. Four miles from here, in the D.A.'s office, we have been persuaded that Terpil was beyond the pale of decent society. Here, there's another perspective.

Frank Giardino has known Terpil since they were 14 years old.

FRANK GIARDINO: He was an international firearms dealer, an accredited international firearms dealer. It was a business that he developed. He became successful at it. He raised a family with it. It was something done all within the structure of our society.

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NARRATOR: Are you saying that Frank Terpil has been unfairly singled out?

GIARDINO: I believe, in my mind, one of the worst things that can happen to an individual is exile from his country, because this is the place. It's the best place in the world. I believe Frank feels that way. I believe Frank wants to come home. I believe he's done a lot for this country. And in some ways, he deserves a medal for what he's done.

NARRATOR: In 1958, when he was 19, Frank Terpil found a way out of Brooklyn by joining the Army. Seven years later, he was recruited by the CIA and trained for the Technical Services Division, the dirty tricks brigade. Brooklyn morality, and a great deal more, was now legitimate.

TERPIL: Some of their operations, without compromising situations that have actually occurred, literally went from the evaluation of mind-distorting materials, such as LSD -- which I had not been involved in. That's a different section -- through bugging, which, of course, everybody is aware of -- technical surveillance, that's called -- through assassinations.

NARRATOR: Terpil traveled the world in the service of the CIA. In 1970, when he was just 31, he was stationed in New Delhi. He had already come a long way from Brooklyn.

TERPIL: I lived with the Raj atmosphere mentality. I lived very well. I lived in a large house in the West End colony, with the normal amount servants, which were from 13 to 15. I had a large car, a Cadillac.

NARRATOR: Was it possible to get all those things on your salary?

TERPIL: No. One had to supplement his income a wee bit.

NARRATOR: How did you supplement your income?

TERPIL: I would collect foreign currencies from various individuals, groups; take the foreign currencies to Afghanistan, which had a very large banking center there; reconvert the foreign currencies into Indian rupees, which had a very high exchange value; bring the Indian rupees back to New Delhi; reconvert them back to foreign currency. And it was a never-ending circle.

NARRATOR: According to Terpil, his career was cut short in 1971 when he was stranded in Afghanistan with his black-market money by the unexpected outbreak of the India-Pakistan war. He was sent back to CIA Headquarters in Langley, Virginia, where, apparently, they have a particular punishment for renegade agents.

TERPIL: They have a euphemism there of walking the halls. You're not given a desk. You don't have an assignment. And consequently, you usually wind up going to the cafeteria every day, in which you see other people in this position. So you form a little cafeteria club or walk-the-halls club, or whatever you call it.

NARRATOR: So you've no office. You just have the corridor, the halls.

TERPIL: And my chair in the cafeteria.

NARRATOR: And your chair in the cafeteria.

What happened next?

TERPIL: I resigned. I resigned, and I believe that was in July or -- I'm not too sure when it was, July of '72.

JIM HOGAN: He was 35 years old or so. He'd been trained in various areas, but he couldn't say about what. And so he was basically unemployable. And I think a lot of people, probably thousands of people who've left the intelligence services have found themselves in that position.

NARRATOR: Jim Hogan was our link to Frank Terpil. When researching his book "Spooks" on free-lance agents and mercenaries, he entered the world of CIA retirees like Terpil.

HOGAN: It's the CIA's business, dirty tricks in the public interest. And for patriotic reasons, obviously. And Frank Terpil [unintelligible], he said he took those dirty tricks, went into private business. And the goal was profit rather than patriotism.

NARRATOR: So you took the skills you'd learnt in the CIA and went free-lance.

TERPIL: That's basically -- yes. That's not basically, that's exactly what I did. I went free-lance.

NARRATOR: That is the official version.

Marty Kaiser has been called the Michelangelo of the bugging business. In his workshop just outside Baltimore, we were given another version of Terpil's resignation from the CIA.

Kaiser is a master craftsman who enjoys a reputation for uncompromising honesty. In 1975 he blew the whistle on corrupt middlemen who were costing the FBI millions of dollars in markups on equipment. He has never worked for the government since. But in the previous year, he was a star supplier.

MARTY KAISER: From mid-1974, I received a contract from the CIA to provide equipment to Egyptian intelligence. But what startled me is that this thing was supposedly hush-hush. And Mr. Terpil came in and he knew the exact dollar volume of the contract, the quantity of each and every item.

Shortly after that, he came back to me asking if I would make certain modifications to certain of the products. And I told him that -- well, I didn't tell him anything. I just didn't do it because I was bound by contract to provide certain items.

So I eventually delivered the contract to the point here in the United States, and then flew to Cairo. I was met at the airport by my host, who took me to the Nile Hilton. And we walked into the lobby of the Nile Hilton. And sitting there, not more than 40 feet in front of me, was Frank Terpil.

Frank took me to the second floor lounge and introduced me to my CIA contact there, which, of course, struck me as odd. But everything fits in this world.

And then the following day, when I went to meet with the generals and open the equipment, the one general expressed disappointment that the modifications had not been made, making it abundantly clear that Frank had won the confidence of that particular group.

So, there he was right smack in the midst of their intelligence agency, moving about with total freedom. And it just absolutely baffled me.

NARRATOR: So, two years after Frank was fired from the CIA -- or, to be strictly accurate, was forced to resign from the CIA -- he seems to have the full confidence of their man in Cairo and of the Egyptian military. How's that possible?

KAISER: Well, the only conclusion I can draw is that he never was fired.

NARRATOR: Mr. Colby, in 1974, when you were the Director of the CIA, Frank Terpil seemed to be in the center of very important negotiations involving the CIA and Egyptian military. How could he maneuver himself into that position two years after he supposedly left the agency?

WILLIAM COLBY: Well, I guess he could. I mean agents do maneuver themselves into situations.

NARRATOR: Ex-agents?

COLBY: Ex-agents move -- that's the function of an

agent, in the right thing, in the proper use of the situation, to maneuver themselves into a situation by their own wits and so forth. It's not abnormal at all. Old military types, old diplomats, they all maintain that kind of contact, even though they might have left under some shadow.

I really don't know the facts of this case, quite frankly.

NARRATOR: Well, the facts are that when you were Director of the CIA, Frank Terpil appeared to a CIA supplier to enjoy the full confidence of his CIA contact in Cairo and the Egyptian military.

COLBY: I just don't know the circumstances under which it happened, so I really can't comment about it. It's impossible to responsibly say anything.

NARRATOR: Has it ever been a practice to appear to fire people from the CIA in order to put them into deep cover?

COLBY: It's possible. Sure. That's -- there are those kinds of things that you do -- used to do years ago. I don't think you do it anymore.

NARRATOR: Whatever the reasons, the world suddenly opened up for Frank Terpil after his resignation from the CIA. He described his deals in Egypt, Saudi Arabia, Iraq, Syria, and Yugoslavia; his work for Somoza, the Nicaraguan tyrant; for Bokassa, the man who was accused of participating in the massacre of schoolchildren and of cannibalism; for the Shah of Iran, who paid \$48 million for an elaborate bugging system so that he could spy on his own government and secret police.

TERPIL: This equipment had the capability of listening to -- listening and identifying all telephone conversations that took place within Teheran itself. Basically, it was a Big Brother operation, a 1984 type operation.

NARRATOR: And what was your involvement in this?

TERPIL: We were involved in the most sensitive part, and that was the vetting of his own government.

NARRATOR: As Terpil told it, he was associated with the most traumatic events of our time. He had helped to train and equip the Gray Wolves, whose membership included Mehmet Agca, the man who shot the Pope.

Were there no times when you felt, "I know what's going on here, and I don't want any part in it"?

TERPIL: I do not get wrapped up emotionally with the country. I regard myself, basically, as neutral and commercial.

NARRATOR: In most cases, Terpil was proud of his deals and connections. But occasionally he kept his distance.

Do you know Carlos the Jackal?

TERPIL: No, I do not.

NARRATOR: On the bugged tape of the 17th of December, Gary Korkala, in your presence, offers the undercover agents Carlos the Jackal for a job. Now, was that a lie? Was that just trying to impress them?

TERPIL: Korkala may have said that to impress them.

NARRATOR: But not being able to deliver.

TERPIL: Not that I know of.

NARRATOR: Do you exaggerate?

TERPIL: I'd say -- sure. Just like everybody.

NARRATOR: And do you exaggerate when you're talking about your past experiences?

TERPIL: No. They're all substantiated. I don't have to exaggerate on that. It's usually documented and I usually have the documents to prove it.

NARRATOR: This discussion was to prompt one of the most astonishing experiences of our trip. To back up his claims, Terpil suddenly handed over files of letters and telexes, addresses and phone numbers to lead us to manufacturers and shippers and to his private contacts in Congress, the CIA, the U.S. Special Forces, MI6 and Scotland Yard, all of whom he claimed had assisted him in his years of private practice.

Our team telephoned unlisted numbers, visited homes and offices. But few of Terpil's contacts would have anything to do with a film. Occasionally, we were crudely threatened. At other times, we were given detailed corroboration of Terpil's information on the strict understanding that this was off the record. Whenever we presented our evidence, nobody denied their association with Frank Terpil.

Broadcast guidelines prevent us from recording interviews without the consent of the subject. And the ring of silence might have held had it not been for the two court cases against Frank Terpil which had flushed some of his contacts into the open,

people who were prepared to corroborate Terpil's revelations and appear on film.

This man, Kevin Mulcahy, formerly of the CIA, turned state's evidence in a case that is still reverberating throughout Washington. In June '76, Mulcahy became a partner in Intercontinental Technology, a company with headquarters here at 1612 K Street, Washington. The other two partners in ITI were Frank Terpil and a man called Ed Wilson, who impressed Mulcahy with his contacts in official Washington.

KEVIN MULCAHY: Socially, Ed and I met a number of retired individuals from the Central Intelligence Agency, as well as people that were currently employed by the Central Intelligence Agency. We -- on more than three occasions, we had visited Capitol Hill and met the legislative and administrative assistants to a number of congressmen and senators.

NARRATOR: Wilson had served in the CIA and naval intelligence. He also owned a 1500 acre estate in Virginia and was close to men like Strom Thurmond, the archconservative Republican senator, and Theodore Shackley, then Deputy Director of the CIA.

The question is, why did a man with those connections form a company with Frank Terpil to join the Russians, the East Germans and the Bulgarians as suppliers to one of the most radical leaders in the Arab World? And how did Wilson and Terpil contract to transport tons of explosives, hundreds of classified night-vision devices, and half a million detonators out of the United States in order to deliver them to America's supposed archenemy, Muammar Qaddafi?

According to Mulcahy, these questions began to trouble him in the autumn of 1976.

MULCAHY: I didn't know whether or not it was a CIA operation, whether it was a legitimate business deal. I just didn't know what the hell was going on.

NARRATOR: At what stage did you report your worries to senior people in the CIA?

MULCAHY: In September of 1976, I told the FBI and I told the Central Intelligence Agency, in gross and dramatic detail. I laid out the cast of characters that were involved in every deal I was privy to, every company that was involved in the supply end of it. They had -- I don't know of -- you know, unless I'd gone out myself and dropped a body over the transom to the FBI, I don't think they would have done anything with it.

NARRATOR: The CIA knew about the operation in Libya

in 1976. But nothing was done to stop it until April 1980. Why do you think Terpil and Wilson were allowed to carry on for nearly four years?

MULCAHY: I have no idea. None whatsoever. It's one of the things that bothered me enough so that I was willing to go public, finally, after 4 1/2 years of silence.

NARRATOR: Mulcahy was not the only one to report his concerns to the authorities.

These are the Green Berets, the elite commando corps, at their main training center in Fort Bragg, North Carolina. In 1976 Terpil's cronies were active here, recruiting instructors for Qaddafi.

Master Sergeant Luke F. Thompson was approached by one of them.

MSGT LUKE THOMPSON: I was called at my home in Fort Bragg about 7:30 at night by a man who identified himself as Pat Loomis. And he asked if I could -- was free to go abroad to discuss some contract work in the intelligence field. And not really knowing who he was or anything about him, I had to lead him on to find out some specifics, because I thought he was from some foreign intelligence trying to subvert me. And he asked me if I could recruit a team of five people.

So, as soon as we got through talking, I called the counterintelligence people and made them aware that I was approached by what I felt was a foreign agent. They came over to my house, and the intelligence people told me, said, "This is completely legal and above-board. So you have no worries. Pursue it as you desire. No problems."

NARRATOR: With the apparent approval of counterintelligence and his own commanding officer, Luke Thompson took a squad of five men with 800 pounds of explosives to Libya. Shortly after his arrival, he was escorted to a desert palace, where Americans were assembling booby traps, ashtrays, books, desks, that would explode as soon as they were moved.

Would you ever use these devices in conventional warfare?

MSGT THOMPSON: No. It's not something that you would use as a device against organized force.

NARRATOR: What would you use these devices for?

MSGT THOMPSON: Terrorist activities. Terrorist -- on unsuspecting civilians, someone that would -- you know, would

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pick up an innocent item, through ignorance.

NARRATOR: What was Terpil doing out there?

MSGT THOMPSON: He indicated -- he act like he was chief of the operation.

NARRATOR: He was running the whole manufacturing facility in the palace?

MSGT THOMPSON: Yes, he was.

TERPIL: We had one of the out buildings, or the outer buildings, as an assembly point, an area of instruction for the assembly of these explosives.

NARRATOR: Who were you instructing?

TERPIL: The people we were instructing were Libyan military, which I assume would be their equivalent of the Special Forces.

NARRATOR: Were you instructing any guerrilla groups from the outside, like ETA, the Basque group, or the Red Army, the Italian Red Brigade, the IRA?

TERPIL: If we were, we were not cognizant of it, because we never spoke directly to the people.

NARRATOR: So you were instructing Libyan military personnel and others whose origins you didn't know.

TERPIL: Which we didn't know. That's right.

MSGT THOMPSON: I decided, being active-duty military, I'd better get out before things get too bad.

NARRATOR: Why were you worried?

MSGT THOMPSON: Well, I could see that this wasn't something that I should be doing. It was obvious that something was wrong. And I decided I had best burn my bridges and get out.

When I got back to the United States, I reported to the counterintelligence people that I had been reporting to all along.

NARRATOR: And what did they say to you about your worries?

MSGT THOMPSON: "Obviously, something's wrong. This is not an agency operation." So they put it back through the

computer again, and they got a block somewhere. The agent told me, he said, "We can only get so far up. It blocks."

NARRATOR: And what does that mean?

MSGT THOMPSON: It was stopped.

NARRATOR: You were using agency and Special Forces personnel. You were using agency suppliers. How were you shipping the stuff?

TERPIL: Through an agency freight forwarder.

NARRATOR: The latest CIA study describes Qaddafi as, quote, the most prominent state sponsor and participant in international terrorism, end quote.

Isn't there some irony that you were using CIA suppliers, shippers, in some cases CIA personnel to work for Qaddafi?

TERPIL: Qaddafi does not have the capability, nor the facility, to manufacture weapons at all. So we had to get them from leading powers. How they were gotten from leading powers? In most cases, the leading powers were cognizant of it. If they denied they were not cognizant of this thing, then where's their intelligence service?

NARRATOR: Well, here we come to the central issue. We have the names of 43 people, American manufacturers, past and present members of the Special Forces, the CIA, who collaborated with you and Ed Wilson on the Libyan operation. Why was it permitted?

TERPIL: Wilson and myself, collectively, had enough information and intelligence on current and past operations that would prove to be a great embarrassment to the United States Government.

NARRATOR: So, in a sense, you were blackmailing the CIA.

TERPIL: It was an unspoken blackmail -- mail, if you will. There was never any overtures made to threaten the CIA with blackmail, at least on my behalf, on my part.

NARRATOR: Now, could there be another explanation, that the work that you were doing in Libya was useful to the CIA?

TERPIL: They would have a knowledge of the amount of training, the skill that the people possessed, the possibilities of them launching operations on their own, successful operations.

They would have a psychological profile of the people that were trained. That may be of use of them.

NARRATOR: What do you think Qaddafi would feel if he knew that CIA had penetrated his secret training facilities, through you and Ed Wilson?

TERPIL: I can't speak for Qaddafi, but I could speak on behalf of Amin. And Amin said that he would be very, very disappointed if the agency had not penetrated his operations.

NARRATOR: Why would he say that?

TERPIL: He felt that the CIA was one of the top three intelligence organizations in the world, and certainly he didn't put his State Research in that league.

NARRATOR: We questioned Terpil for hours about Libya, until we were almost certain that the so-called mastermind of international terrorism was in fact ignorant of the full implications of the role he had been permitted to play.

TERPIL: Why are there, supposedly, in the neighborhood of 42 unindicted co-conspirators? Why did these things in China Lake, which is a very secret facility, why did these people leave our employ in Libya, which we are not denying that they worked for us in Libya -- they left our employ in Libya, went back to China Lake, which is a very, very secretive operation, clandestine operation, and these people went back to work there? The other ones we had which were CIA employees, or we had people besides the CIA employees -- we had active-duty Special Forces people which were on 30 days leave to work for us in another location.

NARRATOR: In Washington, we approached the CIA, the FBI, and the Justice Department for comment on Terpil's activities. But this was consistently refused.

But the implications of the Libyan operation extend far beyond Washington. As there are no direct flights between the United States and Libya, Terpil needed reliable transfer points in Europe where lethal material and armed personnel could be switched to Libyan flights without official interference. According to Mulcahy, London's Heathrow Airport was the most important link in the supply chain.

MULCAHY: It's almost amusing the way Frank would conduct himself at Heathrow. Probably the best example I can think of was some of our people were walking around Heathrow, somewhat disoriented and intoxicated. And with them, they were carrying some concealed cans of binary explosives. Frank has promised these people that he would meet them at the airport when their

plane landed. They would never have to worry about going through customs or anything else, and they could go directly to Libya.

Well, Frank hadn't made it to meet the flight on its incoming leg. So I had to rouse Frank and make sure he got to the airport before something difficult -- before London was blown off the face of the map.

TERPIL: Yes, that's in essence true. The shipment of the material was never to be brought out of the international zone. In other words, it was supposed to be transshipped immediately to another aircraft. Harper had made a mistake. He went right through the customs with the material in question. And I did have some associated within the British government at the airport that helped Harper and the material back on the plane.

NARRATOR: So, when a man walks into Heathrow Airport with enough explosives to practically destroy London, you've got people there who can sort this out.

TERPIL: Yeah. I had certain facilities made available to me that the average [unintelligible] wouldn't have had.

NARRATOR: Off the record, Mulcahy named Terpil's high-level contact with British intelligence. Terpil confirmed the name, and claimed that the man in question had done a good deal more than smooth the way with the British authorities.

TERPIL: In some cases where we needed some material and it wasn't available from one of our sources, he actually freely gave us some other sources of possible supply. In fact, at one time he himself was in Libya, aboard a private aircraft. He had access to privileged information. He had access to operations that were going on. I'm sure he was still active-duty. And we regarded him as our professional babysitter.

NARRATOR: Using an unlisted number that Terpil had provided, we telephoned the babysitter's home. A meeting was set up in this London hotel. It was to last for three hours. The man confirmed his association with Terpil, but denied that he had been involved in any unsanctioned operation. He told us that the private plane had been provided officially and openly by the government of Libya. He went on to suggest that Wilson and Terpil's Libyan operation was in the best long-term interests of the Western powers. He also warned us that if we were recording the meeting, we would end up, quote, under a bush in Surrey, end quote.

With the help of his powerful friends, Terpil had reached a peak seven years after his resignation from the CIA. He had holdings in Switzerland, a hotel in the North of England, a mews house in this fashionable area of London, and a Japanese-

style mansion which he chose to build less than a mile from the CIA Headquarters in Langley, Virginia.

In December 1979, Terpil seemed unassailable, when the New York City police unslung their guns and topped an empire built on sales to Qaddafi, Bokassa, Amin, and the Shah of Iran.

[Clip of arrest activities]

NARRATOR: Just as the federal case in Washington had produced the Mulcahys and the Luke Thompsons, so the New York case helped us to flesh out a minor part of Terpil's British operation, though leaving his high-level contacts untouched.

When the two New York undercover detectives had bought their assassination rifle, their binary explosives and their strychnine, they decided to put Terpil to a real test. Could he provide 10,000 machine guns, enough to equip a revolutionary army?

The information that follows from the two detectives was sworn in evidence in court.

JOSE RAAD: He indicated to us, Detective Rodriguez and myself, that he had machine guns and all types of weapon, including cannons and bombs, in a couple of warehouses in England.

CROSSON: In order to get the weapons out of England and to obtain an export license from the British government, Terpil and his associates had to obtain what's called an end user certificate. An end user certificate is simply a document by a friendly government saying that weapons which are now stored within the territory of another country have been purchased and are going to be used by the government of the friendly country. That document is indispensable for obtaining an export license.

TERPIL: The weapons would be consigned, for all outward purposes, to the Philippines. Of course, they would not go to the Philippines.

NARRATOR: So it was an illegal operation.

TERPIL: Illegal in the sense that the ultimate destination was not as registered. Yes.

NARRATOR: Anybody, really, from any group, left-wing, right-wing, who wanted to get machine guns from you could get them out of a warehouse in England.

TERPIL: Yes.

NARRATOR: By using a phony end user certificate.

TERPIL: By using -- yes.

CROSSON: Frank Terpil made it clear to the undercover detectives they wanted a payment of \$56,000 in cash, which would be used for the bribery that was to take place in the Philippines to obtain the end user certificate.

NARRATOR: Now, this payment of \$56,000 for the phony end user certificate. I mean how could you be sure that somebody in an official position in England didn't contact the government of the Philippines to inquire whether the weapons were actually going to them?

TERPIL: The \$56,000 would be to expedite the paperwork in totality, in the U.K. and the Philippines, both.

NARRATOR: So people have to be paid off in the U.K. and in the Philippines.

TERPIL: Some people. Yes.

NARRATOR: On December the 14th, 1979, undercover detective Jimmy Rodriguez arrived in London to acquire 10,000 machine guns for a mythical terrorist group. He was told to meet Terpil at this hotel in Lancaster Gate, where seven men would be waiting in a conference room on the ground floor. When Rodriguez entered, Terpil was already typing the contract. He introduced the detective to his associates. There was a retired Marine colonel, who would obtain the phony end user certificate. Sam Urich, the shipper, who is now wanted in America for drug trafficking. And this man, Robin Bray-Taylor, who would take Rodriguez to view and test-fire the weapons in a warehouse in Manchester, England.

This character, Robin Bray-Taylor, the intermediary. Did he realize that he was involved in an illegal deal?

CROSSON: Absolutely. Absolutely.

NARRATOR: Why do you say that?

CROSSON: He had extensive conversations with Detective Rodriguez during the trip to and from the Interarms warehouse in Manchester. And Detective Rodriguez said that Robin Bray-Taylor made it completely clear that he understood all of the ramifications of the deal.

NARRATOR: Did you get the feeling that Bray-Taylor was supporting you out of some ideological conviction, because you were posing as a right-wing terrorist?

RODRIGUEZ: He was in it for the money, period. He -- I don't think he was interested whether I was from the right or the left. If I had said I was a Communist, he would have -- I'm sure he would have given me the same deal.

NARRATOR: Rodriguez made it clear that your middleman didn't care at all whether the guns went to gentlemen of the far left, the far right, where they went to, as long as they were paid for.

TERPIL: Totally unethical.

NARRATOR: As you were talking to Bray-Taylor, did you begin to get the feeling that England was one of those places it was easy for terrorists to obtain weapons? I mean much easier than, say, the United States.

RODRIGUEZ: Oh, definitely. I would say the U.K. is much easier. That's why they picked it. That's why they lived there. That's why they kept a home there, 'cause it was an easy port.

NARRATOR: Two years after Rodriguez was taken to view the guns, we recreated every stage of his journey.

RODRIGUEZ: When we arrived in Manchester, Red Beard, an individual with a red beard, was waiting behind the wheel of a station wagon. He was introduced to me by Rogin as Hamilton. He drove us for about five minutes and then he pulled into an alley. At that point, I looked up and there in these gigantic bold letters I saw "Interarms," and Interarms is a very big company.

We went up to the third floor, and there were a lot of weapons on the walls and machine guns on the floor. And Hamilton went up to a caged-in area, and behind this caged-in area was what he stated was 12,500 submachine guns, British nine millimeter Mark 2s and Mark 3s.

Hamilton says, "We'll go down to the range and we'll test-fire these weapons."

[Machine-gun fire]

RODRIGUEZ: He then gave me the weapon.

[Machine-gun fire]

RODRIGUEZ: I told him I was pleased, and that as far as I was concerned, we had a deal.

Hamilton, I guess, was in a hurry. So he scooted us

right out. And we were headed back toward the train station. And at this point, Hamilton did a strange thing. He turned back at me -- I was sitting in the back seat -- and then he said, "Are you from the Philippines?" And I said, "No. Of course. I'm from the States."

At this point, I looked over at Robin and said, "Robin, I hope he understands that this is going to the Caribbean and not the Philippines."

Hamilton didn't answer or say anything. He looked over at Robin with a stare. Robin looked back at me and made a "ssss" with his finger up to his mouth, telling me to shut up.

HAMILTON (?): That is an absolute lie. And you may be very, very, very sure of that.

NARRATOR: Why do you think that Rodriguez, who's a senior detective in the New York City police, why do you think he should lie under oath?

HAMILTON: I can only assume that his memory failed him on that particular occasion.

RODRIGUEZ: He's a businessman. He manages the places. And I produce an export license and say that these weapons are going to wherever they are. He released them.

NARRATOR: Did he know your story was untrue?

RODRIGUEZ: I'm sure. But it's not his business at this point. The British government is where I think the loophole lies. Because if they could supply an export license on an end user certificate for the Philippines without checking with the Philippines and making sure that these weapons were in fact going there, they're at fault.

NARRATOR: Let's talk about the loopholes in the British government. What did Bray-Taylor say about his contacts?

TERPIL: Robin mentioned to me that he had contacts in the higher office of the U.K. and that there would be no problems as far as the end user certificate. He also...

NARRATOR: Did he name any of his contacts?

TERPIL: Pardon me?

NARRATOR: Did he name?

TERPIL: He mentioned Colonel Warren. That was the only person he mentioned by name.

NARRATOR: What did he say that this Colonel Warren could do for him?

TERPIL: Colonel Warren could walk the papers through and he could assure that there would be no problems as far as the end user certificate, that [unintelligible] would be issued.

NARRATOR: Tell us about this Colonel Warren.

TERPIL: He's obviously a retired colonel, not a active-duty colonel, that had been involved in several arms deals of a fairly good size. He had worked in conjunction with other companies besides Interarms, and was well known throughout the military and civilian circuits.

NARRATOR: When we contacted Colonel Warren, he claimed that his only role had been to make the original approach to Interarms that led to the visit because he thought that one of the people involved was, quote, an ex-CIA agent, which put some credulity on the inquiry, end quote.

When our leaders talk about a terrorist, they usually want us to think of a man who commits the act of violence. But you're talking about something much more frightening, boardroom terrorists.

RODRIGUEZ: It's very scary. It's -- I've been involved around terrorists for a long time, and most terrorists, small terrorists, urban-guerrilla-warfare terrorists have to scrounge around, you know, for a weapon here and there. Imagine if they had this contact.

NARRATOR: In this instance, no weapons traveled anywhere. When Detective Rodriguez handed over \$56,000 in exchange for Terpil's contract promising delivery of the guns, the deal was suddenly interrupted. A conspiracy was proved in court. And that count alone contributed seven years to Terpil's sentence.

In the end, the court cases against Frank Terpil raise more questions than they answer: Where does intelligence stop and crime actually begin? Why did Terpil and Wilson operate for years before the authorities moved? Why was Terpil released on bail twice, and how did he slip out of the country?

TERPIL: We were informed through an official source, both Gary and myself, that in the event that we would be incarcerated again, in the likely event that we would, that we would probably not survive the first month. In fact, it was fairly well arranged that we would not survive the first month.

NARRATOR: I'm sorry. Can I get that absolutely clear. Somebody in an official position...

TERPIL: Somebody in an official position had gotten through to Gary, Gary Korkala, and informed him that due to information that we might possibly reveal about a political figure, that we would not survive one month.

NARRATOR: So you were told by people in authority to get out of the country.

TERPIL: Yes. We were also told that there would be no official agency would stop us. In other words, there would be a blind eye turned. Because I left the country right from Washington, D.C.

NARRATOR: You left from Washington, D.C.

TERPIL: Yes.

NARRATOR: And without any problems.

TERPIL: No problems at all.

NARRATOR: Can you discuss the way you got out of the country?

TERPIL: No.

NARRATOR: Finally, there was a question that had bothered us since our first day in Beirut. We shared it with a contact in military intelligence who'd known Frank Terpil.

Why do you think he invited us to make this film?

MAN: I would say that with this film he's either reinforcing his act or he's trying to say he's had enough and he needs out.

NARRATOR: So we might be being used, as well.

MAN: Absolutely. I mean I don't think that you can travel around the world like you have to make this film and not feel a little bit concerned about whether or not you're being used, as all of us do, you know. And where and how are we being used.

NARRATOR: You see, we've had no impediments put in our way. Nobody's asked to see our material. We've been allowed to go in and out of countries. We've been allowed to meet Frank, who maintains a very high profile where he is. And nobody's stopped us and nobody's made anything difficult for us.

MAN: Doesn't it make you nervous?

NARRATOR: We came to Beirut to confront the man who had put steel into the spine of Idi Amin, supplier to Qaddafi, Somoza and the Shah of Iran. Terpil had been all these things. But whose interests were really served by his presence in Uganda and Libya?

After following Terpil's trail for seven months, we were more and more convinced that this unique and dangerous man was but a medium-sized cog in the machinery of international intrigue and covert diplomacy, an indiscreet NCO dismissed from the ranks by master tacticians whose games are too complex, too frightening to comprehend.

In our last hours in Beirut, a global drama shrank to human proportions.

In other words, you didn't even know Frank when he was dealing with Amin and the others. What do you feel when he talks about these things?

RUTH BOYD: I'm not -- the way I look at him, I just love him for being him. And I don't care about the past. And I'm just looking for the future. I trust him. And he's very compassionate, very loving, and very caring. And -- it's hard to explain.

NARRATOR: Try and explain.

BOYD: I don't want him to be out of my sight. And some of the things that some people I've met, that they've told me about him, that he's a killer, I just don't believe it.

NARRATOR: You said earlier that you were scared whenever he was out of your sight.

BOYD: That's true.

NARRATOR: Scared of what?

BOYD: I don't know. If he's by my side, I feel all right. I know that he's with me. But once he walks out of that door.

NARRATOR: We left Frank Terpil in Beirut, still hawking his lethal know-how to his diminishing clientele.

Shortly afterwards, two intermediaries approached the White House and the Senate with an offer from Terpil to trade highly sensitive information on State Department, White House, and CIA officials for a reduction in sentence. A representative agreed to meet Terpil in the Middle East. While arrangements were underway, Terpil was visited by three members of Syrian

intelligence. He left Ruth Boyd at 10 A.M. on Saturday, November the 7th, 1981. He has not been seen or heard of since.

SCHORR: There have been new developments even as we prepared to go on the air. Terpil's associate, Gary Korkala, who disappeared with him in November, turned up in Beirut and told us on the phone that he and Terpil, who is still away, are alive and well. Korkala would not explain their disappearance, but last month a message was sent to Terpil's friend Ruth Boyd to reassure her. It originated in Germany and said that Terpil had met Edwin Wilson's men from Libya, and the group departed from Europe according to a predetermined plan. We have no idea what the nature of that plan is of Wilson and these men from Qaddafi's Libya.

The business of terrorism raises some disturbing questions: How could Terpil and Wilson operate against the national interest for so long with such immunity? Their former accomplices say the CIA knew what was going on. Douglas Schlachter, who has just pleaded guilty in a conspiracy to smuggle explosives, he told federal authorities that as late as 1978 he was reporting on activities in Libya to the CIA and receiving intelligence assignments.

Were Wilson and Terpil just manipulating the old boy network, recruiting some of the old boys for their business? Or did somebody in the CIA find use for their business and cloak them with some authority? The CIA says it can find nothing in its files to support that contention.

The Justice Department, at last, is conducting an exhaustive investigation. The House Intelligence Committee has been trying to find out what went on. Investigations will become harder as the government tightens the cloak of secrecy around intelligence agencies. One pending law banning identification of intelligence agents could make it a crime to expose a future Frank Terpil. The government is closing the information door instead of that revolving door between our covert agencies and international terror.

Good night. And as an old mentor of mine used to say, good luck.